

VZCZCXRO2696  
RR RUEHIK  
DE RUEHTC #0088 0431540  
ZNR UUUUU ZZH  
R 121540Z FEB 10  
FM AMEMBASSY THE HAGUE  
TO RUEHC/SECSTATE WASHDC 3768  
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE  
RUCNMEU/EU INTEREST COLLECTIVE  
RUEHNY/AMEMBASSY OSLO 0001  
RUEHRK/AMEMBASSY REYKJAVIK 0048  
RUCPDOG/DEPT OF COMMERCE WASHDC  
RUEHBS/USEU BRUSSELS 0719  
RULSDMK/DEPT OF TRANSPORTATION WASHDC

UNCLAS THE HAGUE 000088

SENSITIVE  
SIPDIS

E.O. 12958: N/A

TAGS: [EAIR](#) [EUN](#) [KTIA](#) [IC](#) [NO](#) [NL](#)

SUBJECT: NETHERLANDS: LATEST DUTCH VIEWS ON THE U.S.-EU  
SECOND STAGE AIR TRANSPORT NEGOTIATIONS

REF: STATE 9584

¶1. (U) On February 11, Econoffs delivered reftel points on the second stage of the U.S.-EU Air Transport Negotiations to Hans de Jong, Special Advisor and Chief Negotiator for aviation issues, and Janneke Kolk, Policy Advisor, at the Ministry of Transport, Public Works, and Water Management. De Jong, who has served as a senior aviation negotiator for the Netherlands for many years, believes that the time has come for European transport ministers to take a political decision on whether the EU wants to move forward in the negotiations, particularly given that the U.S. cannot commit to changing our laws on ownership and control of U.S. carriers before the end of 2010. De Jong would view the upcoming negotiations in Madrid as successful if the U.S. could express at least a political commitment to make progress on the outstanding issues (the priorities in paragraph 2 of Article 21 of the first stage agreement, which includes the issue of U.S. ownership and control). De Jong supported the U.S. emphasis on pragmatism; he suggested the U.S. could display such pragmatism by providing reciprocity on the issue of wet leasing, or short-term contracts for use of aircraft, personnel, and maintenance services. (The EU allows U.S. carriers to engage in wet leasing in the EU, but the U.S. does not reciprocate.)

¶2. (SBU) De Jong believes the top priority for the EU going into Madrid remains U.S. foreign ownership and control laws, although this is not as significant an issue for the Dutch specifically. De Jong noted that EU negotiators need to demonstrate progress on this issue to European transport ministers. He recognized, however, that the U.S. Administration will be unable to persuade Congress to pass legislation to relax U.S. ownership/control rules, particularly given the fierce opposition of Rep. James Oberstar (D-MN) on the House Transportation and Infrastructure Committee. De Jong added that this is now an even more difficult issue for the Administration after the loss of the Democrats' super majority in the Senate. He suggested the EU-Canada arrangement of a phased-in approach could serve as a model in striking a compromise.

¶3. (SBU) De Jong believes the two sides are within reach of compromise on the problematic EU decision-making process on noise restrictions at EU airports - if they can find the right wording to use in the Air Transport Agreement. According to de Jong, however, the Dutch will never accept EU-wide measures governing aviation noise, because local circumstances - including environmental, community development, and political considerations - must always be taken into account in this area.

NOLAN